

SINKLER & BOYD, P.A.

ATTORNEYS AT LAW

THE PALMETTO CENTER

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REPLY TO:
COLUMBIA OFFICE
POST OFFICE BOX 11889
COLUMBIA, S.C. 29211-1889

RECORDATION NO. 21670

FILED

SEP 25 '98

1-53 PM

WRITERS DIRECT DIAL
(803) 540-7847

E-MAIL
JDCLARK@SINKLERBOYD.COM
September 21, 1998

VIA CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Secretary
Surface Transportation Board
Washington, D.C. 20423

Re: Document for Recordation

Dear Secretary:

I have enclosed an original and one copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Locomotive Construction Agreement, a primary document, dated August 5, 1998.

The names and addresses of the parties to the document are as follows:

Vendor (and grantor of security interest):

Andress Engineering Associates, Inc.
131 Airpark Industrial Road
Alabaster, Alabama 35007
Attn: Manager

Purchaser (and secured party):

SAFECO Credit Company, Inc.
10915 Williams Road, N.E. F-3
Redmond, Washington 98052-2554
Attn: Manager

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SURFACE TRANSPORTATION
BOARD

SEP 25 1 53 PM '98



SINKLER & BOYD, P.A.

Surface Transportation Board
September 21, 1998
Page 2

Lessee (third-party beneficiary of security interest):

Bunge Corporation
11720 Borman Drive
St. Louis, Missouri 63146
Attn: Vice President - Transportation

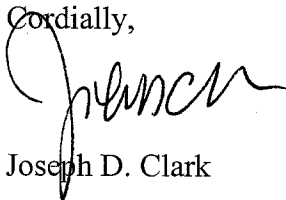
A description of the equipment covered by the document follows: 135-ton locomotive with serial number CLC-98106.

A fee of \$26.00 is enclosed. Please return the original and any extra copies not needed by the Board for recordation to Joseph D. Clark, Sinkler & Boyd, P.A., Post Office Box 11889, Columbia, South Carolina 29211.

A short summary of the document to appear in the index follows:

Locomotive Construction Agreement between Andress Engineering Associates, Inc. of Alabaster, Alabama (as vendor and grantor of security interest), SAFECO Credit Company, Inc. of Redmond, Washington (as purchaser and secured party) and Bunge Corporation of St. Louis, Missouri (as lessee and third-party beneficiary of security interest), dated August 7, 1998, and covering a 135-ton locomotive with serial number CLC-98106.

Cordially,



Joseph D. Clark

JDC:knc
Enclosures

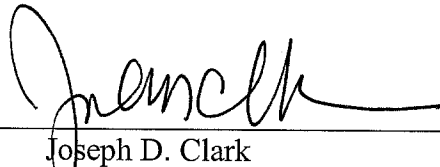
cc: Bryan L. Sutter (without enclosures)
Benton D. Williamson (without enclosures)

SEP 25 '98

1-53 PM

CERTIFICATE OF TRUE COPY

The undersigned filer of the attached copy of the Locomotive Construction Agreement entered into as of August 5, 1998 by and among SAFECO Credit Company, Inc., Andress Engineering Associates, Inc. and Bunge Corporation certifies that I have compared the copy with the original and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.



Joseph D. Clark
Sinkler & Boyd, P.A.
Post Office Box 11889
Columbia, South Carolina 29211

LOCOMOTIVE CONSTRUCTION AGREEMENT SEP 25 '98

1-53 PM

THIS LOCOMOTIVE CONSTRUCTION AGREEMENT (this "Agreement") is entered into as of this 5th day of August, 1998, by and among Safeline Leasing, a division of SAFECO Credit Company, Inc., a Washington corporation ("Purchaser" or "Safeline"), Address Engineering Associates, Inc., an Alabama corporation ("Address") and Bunge Corporation, a New York Corporation ("Bunge").

RECITALS

- A. Address is engaged in the business of reconditioning and selling locomotives.
- B. Purchaser desires to purchase from Address solely for the purpose of leasing to Bunge, and Address desires to recondition and sell to Purchaser, a certain locomotive subject to the terms and conditions set forth herein.

IN CONSIDERATION OF the premises, the covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereto agree as follows:

1. Purchase and Sale. Subject to the terms and conditions set forth in this Agreement, Address shall recondition and sell to Purchaser, and Purchaser shall purchase from Address, one (1) locomotive (the "Locomotive") as described on Appendix A hereto.
2. Purchase Price. The aggregate consideration to be paid by Purchaser to Address for the Locomotive (the "Purchase Price") shall be an amount equal to Four Hundred Five Thousand Dollars (\$405,000). The Purchase Price shall be paid in four (4) installments as follows:

<u>Date of Payment</u>	<u>Amount of Payment</u>
(a) August <u>4</u> , 1998	\$141,750
(b) October 1, 1998	\$121,500
(c) December 1, 1998	\$121,500
(d) Upon acceptance by Bunge	\$ 20,250

3. Title and Risk of Loss. Title to the Locomotive shall pass to Purchaser and risk of loss to the Locomotive shall pass from Address to Bunge at the time such Locomotive is physically delivered to the railroad and a bill of lading therefor is issued for shipment to the facility of Bunge located in Council Bluffs, Iowa (the "Facility").

4. Specifications and Changes. Address shall manufacture and recondition the Locomotive in accordance with: (i) the specifications set forth on Appendix B hereto (the "Specifications") and (ii) all applicable governmental and other regulatory agency regulations in effect on the date of shipment.

5. Delivery. Address shall ship the Locomotive, fully-reconditioned, freight and insurance prepaid, to the Facility within two hundred (200) calendar days of receipt of the first payment due under Paragraph 2(a) (the "Shipment Date"), or earlier to the extent practicable. Time is of the essence of this Agreement. DA The 200 days is to date of shipment, not delivery.

6. Discounts. If the Locomotive is not shipped, fully-reconditioned, to the Facility within five (5) calendar months of the date of this Agreement, Address shall provide Bunge with the following discounts: (a) a Five Thousand Dollar (\$5,000) discount toward the purchase of a locomotive; ~~and~~ (b) a

Three Thousand Five Hundred Dollar (\$3,500) discount toward the purchase of any non-warranty parts for the Locomotive.

7. Cancellation. If the Locomotive is not shipped, fully-reconditioned, to the Facility by the Shipment Date, Purchaser shall have the right, but not the obligation, to cancel this Agreement and Address shall refund to Purchaser all payments made by Purchaser to Address hereunder within seven (7) calendar days. Upon cancellation of this Agreement, there shall be no further liability or obligation on the part of any of the parties under this Agreement, except as described in this Section 7. In the event of a cancellation hereunder, such cancellation shall be without prejudice to any rights that the canceling party may have against any other party.

8. Taxes; Freight and Insurance. The Purchase Price does not include any federal, state, or local sales, use, or related taxes however designated or imposed. The Purchase Price shall include freight and insurance.

9. Patents and Drawings. Address shall defend any suit or proceeding brought against Purchaser or Bunge based on a claim that the design or specification for the Locomotive or part thereof constitutes an infringement of any patent. Purchaser or Bunge, as the case may be, shall, as a condition precedent to the foregoing, notify Address promptly in writing of any such claim and shall give authority, information and assistance for the defense of same. In the event the Locomotive, or any part thereof, is in such suit held to constitute infringement and the use of the Locomotive or part thereof is enjoined, Address shall, at Address' expense and at its option, either (a) procure for Purchaser the right to continue using such Locomotive or part; (b) replace it with non-infringing equipment; (c) modify it so that it becomes non-infringing; or (d) refund to Purchaser the entire Purchase Price. Address shall indemnify Purchaser and Bunge and hold them harmless against and in respect of any and all loss, liability, cost, expense or damage (including judgments, settlement payments and attorneys' fees) incurred by them incident to, arising in connection with or resulting from any suit or proceeding brought against Purchaser or Bunge based on a claim that the design or specification of the Locomotive or part thereof constitutes an infringement of any patent.

10. Warranty. The Locomotive shall be free from: (i) defects in design; and (ii) defects in material and workmanship under normal conditions of use and service. If a claim is made against Address under this warranty, the claim shall include a written description of the asserted defect, and Address thereupon promptly shall direct Purchaser where to return either the Locomotive or the defective part, if such part feasibly can be returned separately from the Locomotive. If any such part cannot feasibly be returned separately from the Locomotive because such part has been removed and retained by a railroad, and Purchaser provides proof thereof, the claim may proceed. If any such part cannot feasibly be returned separately for other reasons, Address may inspect such part where it is located, at Address' sole cost and expense. Defects shall be covered by this warranty for a period of one (1) year after delivery of the Locomotive or Four Thousand (4,000) hours of service (whichever occurs first). If any part or component used by Address in the manufacture of Locomotive is subject to a warranty in excess of one (1) year or Four Thousand (4,000) hours of service (whichever occurs first), Address shall assign or otherwise make such warranty available to Purchaser or shall pursue such warranty in Address' own name in addition to the warranty which Address makes herein to Purchaser.

11. Lease Between Bunge and Purchaser. Simultaneously with the execution of this Agreement, Safeline is entering into a Master Lease Agreement, dated August 7, 1998 (the "Lease"), with Bunge whereby Safeline will lease the Locomotive to Bunge and Bunge will lease the Locomotive from Safeline. Notwithstanding anything to the contrary contained herein, Bunge shall be entitled to rely upon and enforce the representations and warranties made herein as if it were the original purchaser of the

Locomotive hereunder, and Safeline's obligations hereunder shall be subject to Bunge's performance under the Lease.

12. Inspection. Address shall allow Safeline and Bunge, and their respective representatives, the opportunity at reasonable times and from time to time to inspect the Locomotive during construction at the manufacturing plant. Upon completion of the Locomotive, Purchaser and Bunge may arrange for final inspection thereof at the plant.

13. Security Interest. Address hereby grants to Purchaser a security interest in and to the Locomotive, work in process, and all goods and materials related to performance of this Agreement to secure Address' performance under this Agreement. Address shall, upon the request of Purchaser, execute and deliver to Purchaser any financing statements or other instruments necessary to perfect any security interest. The security interest shall terminate upon acceptance of the Locomotive by Bunge.

14. Liens. Subject to Paragraph 13, Address shall deliver the Locomotive free and clear of all liens on the Locomotive and its components, including, but not limited to, mechanics' liens and hold Purchaser and Bunge harmless from and against all costs incurred and damages caused thereby.

15. Relationship of Parties. Address is an independent contractor. The contract evidenced by this Agreement is not intended to be one of hiring under the provisions of any workers' compensation or other laws and shall not be so construed.

16. Notices. Any notices or other communications required or permitted hereunder to any party hereto shall be in writing and shall be sufficiently given when delivered in person, or when delivered to the receiving party if sent by certified or registered mail, postage prepaid, or one (1) business day after dispatch of such notice with an overnight delivery service, or when sent by facsimile if an answer back is received by the sender, in each case addressed as follows:

If to Address: Address Engineering Associates, Inc.
131 Airpark Industrial Road
Alabaster, Alabama 35007
Attn: Manager

telecopier: (205) 620-9777

If to Safeline: SAFECO Credit Company, Inc.
10915 Williams Road, N.E. F-3
Redmond, Washington 98052-2554
Attn: Manager

(425) 376-8681
telecopier: *(770) 935-2511*

If to Bunge: Bunge Corporation
11720 Borman Drive
St. Louis, Missouri 63146
Attn: Vice President—Transportation

telecopier: (314) 872-0159

with a copy to:

Bunge Corporation
11720 Borman Drive
St. Louis, Missouri 63146
Attn: General Counsel

telecopier: (314) 994-6521

or such substituted address or attention as any party shall have given notice to the others in writing in the manner set forth in this Paragraph 16.

17. Amendment. This Agreement may be amended or modified in whole or in part only by a written agreement executed by each of the parties hereto and making specific reference to this Agreement.

18. Counterparts. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one (1) instrument.

19. Assignment. This Agreement may not be assigned by any party without the prior written consent of the other parties, which consent shall not be unreasonably withheld, provided, however, that Purchaser may assign all or any part of its interest under this Agreement at any time without Andress' prior consent to Bunge or an affiliate of Bunge. This Agreement shall be binding upon, inure to the benefit of and be enforceable by and against the parties and their respective successors and permitted assigns in accordance with the terms hereof.

20. Severability. If any term or provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced by any law or public policy, all other terms or provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

21. Waivers. No waiver of any provision of this Agreement shall be effective unless signed in writing by each of the parties, and unless otherwise expressly so provided, such waiver shall be limited to the specific situation for which it was given.

22. Headings. The headings in this Agreement are inserted for convenience only and in no way alter, amend, modify, limit or restrict the contractual obligations of the parties.

23. Governing Law. This Agreement shall be governed by and construed according to the laws of the State of Washington as applicable to agreements executed and entirely performed in said State.

24. Entire Agreement. This Agreement constitutes the entire agreement with respect to the subject matter herein and supersedes any prior or contemporaneous agreement or understanding of the parties.

25. Additional Security. Andress shall, upon Bunge's request, cooperate and assist Bunge in obtaining such additional security for Andress' performance of this Agreement as Bunge deems advisable or necessary, including, without limitation, a performance bond, forfeiture bond or letter of credit. Bunge shall be liable for the reasonable cost of issuing any such bond or letter of credit.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives on the day and year first above written.

SAFECO CREDIT COMPANY, INC.

By: *Rich King*

Title: *Division Credit Manager & AVP*

ANDRESS ENGINEERING ASSOCIATES, INC.

By: *Thomas J. Andress*

Title: *PRESIDENT*

BUNGE CORPORATION

By: *Daniel Wallace*

Title: *Vice President Transportation Commodities Group*



Since 1956

(Appendix A)

Address Engineering Associates, Inc.

P.O. Box 480, Conyers, Georgia 30012
Telephone: (770) 929-3084 (800) 437-4211
Facsimile: (770) 780-1104
From: Carl R. Majors
Sales Manager - Locomotives
Pager: (800) 611-1812

May 11, 1998

Bunge Corporation
11720 Borman Drive
St. Louis, Mo. 63146
(314) 994-6590 (314) 872-0159



Attention: Mr. Ian Muir
Assistant Vice-president Transportation

Unit Train Coal Unloading
Serving a Rotary Dumper

Subject: Quotation For Two Locomotives For Council Bluffs
File 97042010 Addendum 4

Dear Mr. Muir

This addendum is written to clear up any questions on price and warranty for the locomotives that we quoted to Mr. Dale Ackley for Council Bluffs.

Price F.O.B. CLC shop with two days for start-up and training. (600 HP Cummins QSK-19-L Engine) w/new Marathon rectified alternator)..... \$320,000

Don ~~Option for 735 HP CAT 3412 or 750 HP Cummins engine. \$25,000~~

automatic individual traction motor control..... \$40,000

~~power trim option..... \$15,000~~

Don easy access sand boxes..... \$1,900
end of travel limit switches.(per set)..... \$2,500 **
step down train air brakes..... \$2,500
remote control uncoupling (per locomotive)..... \$8,500
seal and insulate cab..... \$9,000
air line dryer..... \$5,500
spark arrestor muffler..... \$500
second fuel tank..... \$2,500
couple speed switch..... \$6,000
ditch lights..... \$1,500
hospital zone muffler..... \$2,800
change warranty to 1 yr or 4,000 hrs (WOF)..... \$3,000

1581 Post Road
Monticello, Ga. 31084
(706) 468-8233

P.O. Box 7829
Savannah, Ga. 31418
(912) 964-1454

854 Lakeside Drive, Suite A
Mobile, Al. 36693
(334) 660-8188

131 Airpark Industrial Road
Alabaster, Al. 35007
(205) 620-9777

FRA window glazing.....	\$6,000 ✓
multi-unit cabling for use with identical CLC unit only.....	n/c
(this will not work with other brand locomotives)	
maintenance training prior to shipment at CLC shop	
4 people, 3 days.....	\$2,500
freight & insurance to job site \$5,000 deductible.....	<u>\$7,000</u>
subtotal = \$421,700 *	

- * Package Discount: We will provide the package priced at \$421,700 for an even \$405,000 for one machine or \$800,000 for two. If the first unit is purchased at \$405,000 and the second unit is purchased within 45 days of the purchase of the first unit then we will extend the \$5,000 discount on each machine so that each one will sell for \$400,000.

SPECIFICATION FOR LOCOMOTIVE RECONDITIONING: 135 Ton
(Appendix B)

THIS IS STRICTLY CONFIDENTIAL AND THE PROPERTY OF THE CHATTAHOOCHEE LOCOMOTIVE Co.

Locomotive Body:

1. The locomotive body shall be stripped of all components except those which are attached by welding and need not be removed to satisfy other requirements of this specification. All original manufacturer's locomotive identification plates shall be retained and reattached to the locomotive upon completion of the reconditioning.
2. Cab and hood sheetmetal shall be repaired and upgrade modifications installed. All items not attached by welding shall be removed. Then it shall be sand blasted and primed along with the frame. All equipment shall be restored to OEM specifications. A large coffin lid shall be installed in the top of the hood for direct access to the engine, alternator, and other major power train items. An internal hood latching system shall be installed for one handle latching of all engine compartment hood doors from the cab. The front hood door shall have a keyed lock or hasp for a padlock.
3. Automotive type safety glass will be installed complete with window locks.
4. Locomotive underframe shall be thoroughly inspected for wear, cracks, damage, and other defects. All defects shall be repaired and dimensions restored to original manufacturer's specifications.
5. The operator's seat shall be repaired.
6. Male center pins shall be repaired as required. New center pin liners and washers shall be installed. Material shall be equivalent to original manufacturer's specifications.
7. Coupler assemblies shall be reconditioned. Coupler heights shall be corrected. Draft gears and yokes shall be restored to original manufacturer's specifications or renewed. Draft gear pockets shall be restored. The draft system shall meet all requirements of 49 CFR 229.61.
8. Cab floors shall be replaced with a nonmetallic abrasion resistant material meeting the requirements of AAR standard 5-521. Floor surface shall be provided with a nonskid surface. All other floor and deck plates shall be inspected and nonskid tread restored to normal. For ALCO locomotives with fuel tanks under the cab the top of the fuel tank shall be removed and the tank ballasted with steel billets with a concrete top poured over the steel billets to provide a solid surface for installation of the rubber matting.
9. Switching steps and uncoupling levers shall be modified as required to conform to the requirements of 49CFR 231.30 for locomotives used in switching service. All steps will be recessed with a wide bottom step for the operator to stand on while operating the locomotive in remote control.
10. Side bearing plates shall be repaired. Side bearing rollers where used shall be replaced. Side bearing clearance shall comply with the requirements of 49 CFR 229.69. Material shall be equivalent to original equipment manufacturer's specifications.

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11. Rail clearance for the locomotive shall be within the limits prescribed by 49CFR 229.71.
12. Locomotive weight after reconditioning shall be within +/- 1% of locomotive weight prior to reconditioning. Additional ballast will be added as required to achieve quoted weight. Final balance end-to-end shall be within 1,000 lbs.
13. Ground lights shall be provided, two lights per side centered over the trucks and one light on each end above the coupler.
14. End plates shall be provided at each end of the locomotive in accordance with the requirements of 49 CFR 229.123. End plates shall be removable by unbolting from the locomotive frame.
15. Option to furnish sand boxes of the easy access type to allow filling of all sand boxes by a man standing on the walk way or steps. Otherwise it may be necessary to climb onto the top of the hood to fill sand boxes.
16. Personnel safety railings shall be repaired or renewed as required. Railings shall be on the outside of the locomotive frame. Hand hold railings mounted along the hood are not acceptable.

Trucks:

1. The trucks shall be disassembled and all parts cleaned.
2. Truck frames shall be trammed for alignment and straightened as required. Trimming shall be performed from the bottom side of the frame. Minor cracks and imperfections in the truck frames shall be grooved, welded, and ground smooth.
3. Female center pin holes shall be repaired as required. New center wear plates and wear rings shall be installed. Material shall be equivalent to original equipment manufacturer's specifications.
4. The brake rigging shall be inspected and repaired as required. All pins and bushings shall be renewed. Brake shoe heads shall be repaired. New brake shoes and brake shoe keys shall be installed. Brake cylinder cups, seals, filters, boots, and gaskets shall be renewed.
5. All truck springs shall be inspected. Those found defective shall be repaired or replaced.
6. Equalizers shall be inspected for defects and excessive end wear. Cracks and gauges shall be repaired by grooving, welding, and grinding smooth. Equalizer ends shall be built-up and machined to original contour.
7. Gear cases shall be disassembled and inspected. Defects shall be repaired as required. All oil seals shall be renewed.
8. Axles and drive gears shall be checked for cracks by Magna flux method or equal. Axles shall be checked for run out, scoring, and dimensions. Drive gears shall be checked for broken or chipped teeth and excessive tooth wear. Traction motor support bearing surfaces shall be restored to original equipment manufacturer's specifications.

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9. Eight new multi-wear locomotive wheels shall be installed on each locomotive in accordance with current AAR and FRA requirements. Wheel diameters shall be the same as original equipment. Wheels shall be installed by a certified AAR Rail Car Wheel Shop.
10. Axle bearings shall be replaced by new Timken roller bearings. All work shall conform to AAR specifications. Bearing conversions shall be performed by a certified AAR Rail Car Bearing Shop.
11. Pedestal liner wear plates, bearing housing wear plates and side bearing wear plates shall be repaired as required. Material shall be equivalent to original equipment manufacturer's specifications.
12. New rubber type traction motor suspension supports shall be installed.
13. New traction motor support bearing lubricators shall be installed.

Diesel Engines:

1. Options available: Cummins N-14-L 450 HP and QSK-19-L 600 HP
Caterpillar 3408, 3412 and 3508
Detroit DDEC-III 60 series, 12V71 and 8V149
2. Engines will be of the type designed for generator set use.

Generators and Rectified Alternators:

1. Rectified alternators will be new Marathon units sized to the engine and set up for standard or traction control use.

Traction Motors:

1. Disassemble, clean, and inspect.
2. Clean armature and interior of frame.
3. Apply insulation resistance and high-potential test to armature, field coils, and brush holders. Apply bar-to-bar test to commutator.
4. Remove brush holders from frame, clean, and inspect for brush fit, brush spring pressure, hinge pin wear, cracked porcelain insulators, loose or defective stud insulation and burned spots.
5. Furnish and install new brushes.
6. Inspect frame, frameheads, and axle caps for wear & distortion.
7. Examine wearing plate on suspension nose when included for loose rivets or broken welds and amount of wear.
8. Wear plates will be replaced as required.
9. Inspect external and internal cables for chafing or other damage. Repair as required.

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10. Retie all internal and external cables where necessary.
11. Treat interior of frame, coils, and leads with insulation varnish.
12. Inspect bearings and bearing assembly parts (flingers, bearing caps, retaining rings and sleeves, visually and dimensionally, for defects, distortion of wear).
13. New bearings will be applied.
14. Inspect armature shaft for damage to threads, bearing, and pinion fit.
15. Inspect armature for loose bands, and damage to core laminations, string bands, commutator, and leads.
16. Turn and undercut armature.
17. Dynamically balance armature.
18. Reassemble unit.
19. Provide running test and final hipot.
20. Repaint unit.

Electrical Equipment Wiring and Cabling:

1. The high voltage and low voltage systems shall be reconditioned by renewing all components using all new modern magnetic switch gear which is in current production. Circuit modifications shall be made as necessary to accommodate new or modified features of the locomotive. SCR controller to control speed and traction control and four dual directional rebuilt reversers to replace the older reversers.
2. New copper wiring and power cabling shall be installed throughout the locomotive. New wiring and cabling shall be of types currently used in new locomotive production for each application.
3. New batteries shall be installed. Battery bank ventilation shall meet the requirements of 49 CFR 229.43. The batteries shall be two heavy duty 12 volt batteries wired in series to produce 24 volts. A main line battery disconnect switch shall be located in the locomotive cab. When this switch is turned off the batteries shall be disconnected from all equipment on the locomotive.
4. A ground relay system shall be provided. Activation of the relay shall cause the generator load to disconnect, the generator field excitation to disconnect and the engine to return to idle position. A visual warning shall be provided.

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Air System:

1. Furnish and install a new air compressor. An air compressor governor system shall be provided which will cause the compressor system to meet the cycling requirements of 49 CFR 229.49. The air compressor selected shall have a discharge capacity of 100 CFM. 225 CFM compressors are available as an option. The larger compressors are generally not required for in plant use and they reduce available HP to the traction motors.
2. Option to furnish and install an air line dryer with automatic drain of the type used on mobile equipment. The dryer is to be installed in line between the two air receiver tanks. This is an option on reconditioned units.
3. Repair air piping and fittings as required. Install new hoses. Rebuild the two main distribution valves 6N & J1.
4. Furnish electropneumatic brake system with 6N distribution valve.
5. Furnish and install a new sanding system including sander control valves, and sand traps. The sand system shall deliver sand to the forward wheels in either direction. The sander control shall be within ready reach of the operator when facing in either the forward or reverse direction. The sander will also work automatically when a wheel slip is detected or from remote control.
6. Furnish and install manual drain valves on the bottom center drain of each primary air system reservoir.
7. Air reservoirs shall be drilled with telltale holes and given an initial hydrostatic test in accordance with the provisions of 49CFR 229.31(c). Reservoirs shall be cleaned and flushed internally. The hydrostatic test date shall be stenciled on the locomotive.
8. All air exhausts shall be vented in such a manner as to permit compliance with locomotive cab noise limitations.
9. All air brake cylinders shall have piston travel and air pressure in compliance with 49 CFR 229.55
10. Air system leakage shall not exceed the allowable limits of 49CFR 229.59.
11. Repair all other compressed air system safety relief valves.

Engine Cooling:

1. Install new reverse flow radiator. The air passes over the engine compartment and out through the radiator.
2. Install a charge of standard antifreeze.

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Accessories:

1. Furnish and install new cab heater operating on engine coolant. Variable speed heater fan shall be provided. Also provide an electric cab heater which is on the same circuit as the engine block heater.
2. Furnish and install a new road locomotive type air horn. The air horn shall be in compliance with 49 CFR 229.129.
3. PLC with diagnostic display shall be incorporated to control and monitor priority systems for use with on board and remote radio control systems. The PLC will be equipped with a modem and dual line phone jack for use in remote troubleshooting. A standard two line phone line can be plugged into the jack in the cab and a standard telephone can also be plugged in. The modem will operate on primary line (red & green wires) and the phone on the secondary line (yellow & black wires). In this manner a serviceman can plug in a telephone line and telephone and converse with the vendor's shop while the vendor can access the PLC by modem and direct the on site serviceman to perform such tests as suggested to find the problem. If a program change is necessary than can also be done through the modem.
4. A remote radio control with two transmitters shall be provided to include a radio receiver in the cab of the locomotive that provides information to the PLC.
5. Furnish and install new sealed beam headlights to the front and rear of the locomotive capable of simultaneous or independent operation. The headlights shall be in compliance with the requirements of 49 CFR 229.125 for yard service locomotive.
6. Option to furnish and install four new sealed beam ditch lights; two on each end of the locomotive at step level. These ditch lights can be programmed to flash or burn continuously automatically or by remote control.
7. Furnish and install all new cab instruments and gauges. All instruments, gauges and controls shall be labeled. Gauges include: ammeter, load meter, water temperature, oil pressure, hour meter, fuel level gauge.
8. Furnish and install new windshield wiper motors, wiper arms and wiper blades on each side of the locomotive cab, front and rear.
9. Handbrakes shall be disassembled, cleaned, inspected repaired, reassembled and adjusted.
10. All interior lamps and sockets, and all step lamps and sockets shall be renewed.
11. Exhaust pipes shall be in compliance with 49 CFR 229.43. Hospital zone mufflers are available as an option. These are mounted on top of the hood.
12. Traction motor blowers shall be removed, disassembled, cleaned, inspected, repaired, adjusted, reassembled, and reinstalled.

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13. Fuel tanks shall be cleaned and flushed internally and sandblasted and painted externally. All leaks shall be repaired. Fuel tank level gauges and filler caps shall be repaired or replaced as required. All fuel piping shall be renewed. All inspection or cleaning port gaskets shall be renewed. Fuel tanks and fuel piping shall be leak free. On ALCO units fuel tanks will be new. One or two depending on customer option. In either case cross over piping shall be provided to allow fueling from either side of the locomotive.
14. Furnish and install electrically operated fuel line safety cutoff devices in compliance with 49 CFR 229.93.
15. If present the bell shall be removed, cleaned, and repaired.
16. Fan openings, exposed gears and pinions, exposed moving parts, of mechanisms, pipes carrying hot fluids and high voltage equipment, switches, circuit breakers, contactors, relays, grid resistors, and fuses shall be in nonhazardous locations or equipped with guards to prevent personnel injury.
17. Five color status lights shall be installed, one set on each side of the locomotive. These will indicate as follows: Top Amber - Radio remote control on and remote transmitter on; Green - engine running; Red - locomotive brakes on, Red Blinking locomotive brakes off but train air brakes on; clear - ready to move forward; bottom amber - ready to move reverse.
18. A horn program will be installed to sound the horn twice before the locomotive will start off in a new direction and at other times as programmed in the PLC.
19. Option to furnish step down train air brakes.
20. Keyed locks will be installed on all access doors except hood doors which will have a single unlocking system located in the cab. Interior window locks will be installed on all windows that open.
21. Lighting in the cab will be good enough to read a manual at night.
22. Engine block heater and electric cab heater.
23. Emergency stop buttons will be installed on both sides of the frame and in the cab.
24. Option to furnish a regenerative desiccant compressed air dryer with prefilter and afterfilter shall be installed to provide -40 F pressure dew point air for the brakes and controls. The air dryer will be of the same type used commonly on main line locomotives expect that it shall operate on 24 volts and its operation shall be controlled by the locomotive PLC.
25. Automatic Individual Traction Motor Control shall be an available option. This system controls each traction motor independently of the other three.
26. Remote controlled uncoupling and coupling speed control shall be available options.

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27. Sealing of the locomotive cab and the installation of air conditioning shall be an option.
28. Certified engineer and brakeman training shall be an available option.
29. End of travel limit switches and RF location tags shall be an available option.
30. Operation of track switches and other devices by remote radio control shall be an available option.
31. Multi-unit operation shall be an available option.
32. An interface for a Carbon Dioxide fire suppression system to be supplied by others shall be an available option.
33. Remote monitoring of locomotive alarms shall be an available option.
34. A digital computer for PLC operator interface shall be an available option.

Final Testing:

1. The remanufactured locomotive shall be completely inspected and tested to FRA and AAR specifications and standards. Included in the testing shall be operational tests of each locomotive subsystem, air leakage tests, engine-generator maximum load tests, traction motor rotation tests (on the locomotive) and any other tests that may be required to insure compliance with the provisions of this specification. The locomotive shall be given a 1-1/2 hour continuous track run test combining forward and reverse directions at the highest speed practical for the particular track.

Cab Insulation and Sealing:

1. The cab is not normally sealed and insulated when radio control is installed.

This can be added as an extra. It would be necessary if air conditioning is required. Insulation will normally consist of fiberglass insulation with a protective metal covering.

Painting and Marking:

1. The locomotive shall be completely primed and painted, inside and outside, with duPont IMRON 326 paint system. Included shall be safety striping of the front, rear, and both sides of the locomotive. All marker and warning signs required by FRA regulation shall be applied. Identification shall be applied per customer's specification.

Special Packaging For Shipment:

1. For any of the locomotives listed the vendor will make the unit ready for shipment by the main line railroad. This includes blocking the couplers and any other items required.
2. Additional maintenance and operations manuals are \$225 each.

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Placing Locomotive In Service:

1. The vendor shall furnish qualified technical personnel to put the locomotive in service at the receiving facility and to instruct personnel in operation and maintenance.

Manuals and Documentation:

1. The vendor shall provide four each operator's manuals, service manuals, parts manual and preventative maintenance schedule for the locomotive.

Warranty:

One year or ^{4,000}~~2,000~~ hours whichever first occurs) parts and labor warranty for defects in materials and workmanship under normal and proper use, operation, and maintenance less consumable items. Damage or defects from overloading or other misuse, negligence, abuse, failure to follow instructions, or from other causes having an origin other than in the manufacture of the equipment are not within the scope of this warranty.

CONSUMABLES:

Filters, fluids, glass, batteries, rubber items, light bulbs, belts, hoses, sand, etc. are considered consumables and are not covered by warranty. Also wear caused by the application on wheels, couplers, etc. is not covered. Modifications not made by the Andress Engineering of its agents or vendors are not covered. The warranty is for defects in materials or workmanship existing when the machine is delivered. The warranty will not pay for any consequential damages and is limited to the repair or replacement of defective parts.

Discussion of Options:

Automatic Individual Traction Motor Control: (AITMC)

This feature is strictly required in order to meet the RFQ requirements. This feature is an option where the locomotive is sized marginally or where it can be expected to encounter bad track or something on the track that would tend to cause slippage. Normally the traction motors are wired in series or series parallel. When a wheel starts to slip the power is automatically cut back to either two or all four traction motors to stop slippage. It would be better if it were only cut back to the wheel that is slipping. With this option the traction motors are wired in parallel and an automatic control system controls power to each tractor motor individually to maximize power to the wheels that have traction and at the same time cut back the power to stop slippage to the wheels that are slipping. This has the effect of increasing the overall adhesion efficiency. This will allow the locomotive to handle more rail cars than could be handled otherwise. This feature also allows an entire traction motor circuit to be disconnected by simply removing a small relay in the main control panel. The other three traction motors will continue to perform normally.

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~~ELECTRIC SWITCH MACHINES:~~

~~The radio remote control for the locomotive can also operate electric switch machines which in turn can operate track switches and derailleurs. To insure that the track switches and derailleurs are in the correct position a feed back loop can be included. The PLC on the locomotive can test to see if the feed back signal agrees with the original instruction prior to entering the switch. This may also requires a location system.~~

~~RF LOCOMOTIVE LOCATION SYSTEM:~~

~~We can supply an RF reader from which an antenna can be mounted under the locomotive. This will read passive RF tags and allow the locomotive's PLC to know where it is in relation to switches, derailer, rotary dumpers, etc. This can be used in conjunction with stationary electric eye systems for dumper approach and other tasks.~~

REMOTE UNCOUPLING:

If the locomotive were equipped with the remote uncoupling option the operator could move the car onto the storage track, apply the locomotive air brakes, and simply back up while pushing the remote uncouple switch on the transmitter. This should remove the need to set the hand brakes if and only if the track is flat and the derailer are properly set. Hand brakes on the cars on each end of a string must be set once that string is in its final position for the railroad to pickup or when the cars will be left unattended for a period of time. This is true even on perfectly flat track.

COUPLING SPEED SWITCH:

The coupling speed switch slows the locomotive drops the throttle to coast and applies brakes until the locomotive rail speed is under 2 mph. Then it releases the brakes and allows the locomotive and any rail cars attached to coast into a couple. This is handy when the operator is using remote control and does not have a good view of the couplers.

END OF TRAVEL LIMIT SWITCHES:

Magnetic switches are located on each pilot plate (at each end of the locomotive). As they pass over magnets mounted between the tracks they cause the PLC to apply a service brake and to lock out travel in that direction. The second switch causes the string to go into emergency stop. These are normally used on tail tracks where the operator can not easily see the end of the track.

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STEP DOWN TRAIN AIR BRAKES: (SDTAB)

This feature would be very helpful in this application when working on curve #1. When using remote control SDTAB can be very useful. It allows the operator to control the train air pipe pressure in discrete increments of 2 to 2.25 psi simply by flipping a spring loaded switch for as many clicks as he wants. This allows him to preset his drag on the cars when going down grade. Without this feature it is Kentucky windage guessing how much pressure is on the air pipe.

DIGITAL COMPUTER:

[Handwritten initials: DW]
~~It can more easily accept and handle other functions like the RF location system, remote track signal systems, electronic pneumatic braking, etc. The locomotive will still have the PLC for routine functions; but, the digital computer will drive the PLC, first out displays, and other screens and accessories. It allows the serviceman to hook up a printer or write data to a disk. It also provides for flat display screens that can show much more information about the operation and history than is provided by the PLC first out display. A modem will be provided for remote troubleshooting.~~

~~Normal Delivery:~~

~~Twelve months after receipt of order and initial payment. Allow one extra month for testing, training, and shipment.~~

~~Terms of sale:~~

~~Prices are firm for 60 days. Terms: 35% with purchase order, 30% three (3) months after first payment, 35% prior to shipment. Cancellation charge 65% of total order amount prior to shipment. No cancellation is allowed after shipment. All amounts that are past due accrue interest charges of 1.25% per 30 day month from the date of the invoice. Purchaser is responsible for freight, taxes, and permits. Prices do not include sales taxes, use taxes, permits, fees, local licenses, etc. These are all the responsibility of the purchaser. Estimates of freight costs are included with the quote.~~

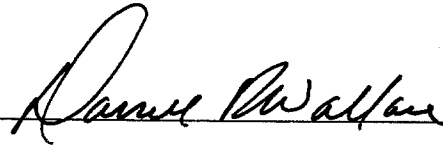
Note: The idea of a modem on the PLC or digital computer does not imply that these are high maintenance items. The reason is just the opposite. The fact that these are such low maintenance items tends to allow maintenance personnel to forget about them. After a long period of time they tend to forget how the programming functions so it is fast and easy to simply allow the vendor's shop access by modem to direct the end user's on site personnel in troubleshooting the various systems on the locomotive. Because, the PLC has the diagnostic capability it makes this function very valuable. This can save many hours in down time by making finding the problem much faster so that the correct parts can be shipped much sooner.

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Tractive effort and drawbar will vary depending on the operating conditions, weight of the locomotive, and whether or not the locomotive has AITMC. A 135 ton locomotive without AITMC will have an average tractive effort of 67,500 lbs. With AITMC it will increase to about 81,000 lbs. When pulling more than 17 cars on flat track a 600 HP engine is suggested in order to provide more acceptable acceleration times. When handling 20 or more loaded cars the 600 HP engine is always recommended. The 450 HP engine will work; but, track speeds will be slow. Anything above 600 HP is not required for normal in plant speeds.

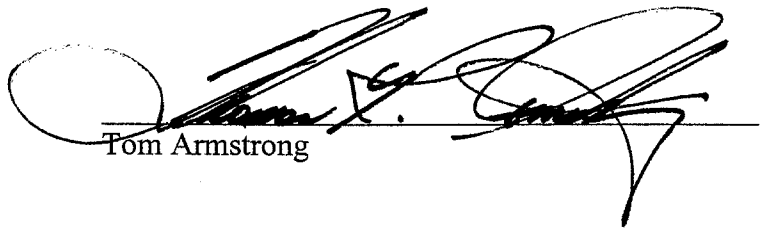
Acknowledgment

I, DARRELL WALLACE, certify that I am VICE PRESIDENT of Bunge Corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the corporation. I further declare under penalty or perjury that the foregoing is true and correct. Executed as of August ⁵ 7, 1998.



Acknowledgment

I, Tom Armstrong, certify that I am President of Andress Engineering Associates, Inc., that the foregoing instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the corporation. I further declare under penalty or perjury that the foregoing is true and correct. Executed as of August 5, 1998.


Tom Armstrong

Acknowledgment

I, Rick Kurz, certify that I am Division Credit Manager and Assistant Vice President of SAFECO Credit Company, Inc., that the foregoing instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the corporation. I further declare under penalty or perjury that the foregoing is true and correct. Executed as of August 5, 1998.


Rick Kurz